

# House File 2089 - Introduced

HOUSE FILE \_\_\_\_\_  
BY WENDT

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to local property tax funding for community  
2 colleges.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 5159YH 82  
5 kh/rj/14

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1 1 Section 1. Section 260C.17, Code 2007, is amended to read  
1 2 as follows:  
1 3 260C.17 PREPARATION AND APPROVAL OF BUDGET == ~~TAX~~  
1 4 OPERATIONS LEVIES.  
1 5 1. BUDGET APPROVAL. The board of directors of each merged  
1 6 area shall prepare an annual budget designating the proposed  
1 7 expenditures for operation of the community college. The  
1 8 board shall further designate the amounts which are to be  
1 9 raised by local taxation and the amounts which are to be  
1 10 raised by other sources of revenue for the operation. The  
1 11 budget of each merged area shall be submitted to the state  
1 12 board no later than May 1 preceding the next fiscal year for  
1 13 approval. The state board shall review the proposed budget  
1 14 and shall, prior to June 1, either grant its approval or  
1 15 return the budget without approval with the comments of the  
1 16 state board attached to it. Any unapproved budget shall be  
1 17 resubmitted to the state board for final approval.  
1 18 2. BASE LEVEL. Upon approval of the budget by the state  
1 19 board, the board of directors shall certify the amount to the  
1 20 respective county auditors and the boards of supervisors  
1 21 annually shall levy a tax of twenty and one-fourth cents per  
1 22 thousand dollars of assessed value on taxable property in a  
1 23 merged area for the operation of a community college.  
1 24 3. OPTIONAL SUPPLEMENTAL AMOUNT. In its determination of  
1 25 the amount to be raised by local taxation for operation of the  
1 26 community college, the board of directors may annually certify  
1 27 an amount for levy at a rate in excess of twenty and  
1 28 one-fourth cents on taxable property in the merged area.  
1 29 However, the sum of all local property taxation for a  
1 30 community college and the revenue received by the community  
1 31 college as general state financial aid shall not exceed an  
1 32 amount equal to seventy-five percent of the community  
1 33 college's budget for the next fiscal year.  
1 34 4. TAXES COLLECTED. Taxes collected pursuant to the ~~levy~~  
1 35 ~~levies~~ shall be paid by the respective county treasurers to  
2 1 the treasurer of the merged area as provided in section  
2 2 331.552, subsection 29.  
2 3 ~~It is the policy of this state that the property tax for~~  
2 4 ~~the operation of community colleges shall not in any event~~  
2 5 ~~exceed twenty and one-fourth cents per thousand dollars of~~  
2 6 ~~assessed value, and that the present and future costs of such~~  
2 7 ~~operation in excess of the funds raised by such levy shall be~~  
2 8 ~~the responsibility of the state and shall not be paid from~~  
2 9 ~~property tax.~~

### EXPLANATION

2 10 This bill permits a community college to annually levy  
2 11 additional local property tax dollars for its operation.  
2 12 Current law limits property tax for the operation of community  
2 13 colleges to not more than 20 and one-fourth cents per \$1,000  
2 14 of assessed value, with the state responsible for the  
2 15 remainder. The bill provides that the sum of all local  
2 16 property tax for the community college and the general state  
2 17 financial aid allocated by the general assembly shall not  
2 18 exceed an amount equal to 75 percent of the budget submitted  
2 19 by the board of directors of the community college.  
2 20

2 21 LSB 5159YH 82  
2 22 kh/rj/14